



a PPL company

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40601

March 31, 2015

**Re: Louisville Gas and Electric Company -
Gas Supply Clause Effective May 1, 2015**

Dear Mr. DeRouen:

Pursuant to the provisions of the Company's Gas Supply Clause as authorized by the Commission, we file herewith an original and ten copies of the Tenth Revision of Original Sheet No. 85 of LG&E Tariff PSC Gas No. 9 setting forth a Gas Supply Cost Component of 41.597 cents per 100 cubic feet applicable to all gas sold during the period of May 1, 2015 through July 31, 2015. In addition, we file herewith a corresponding number of copies of "Supporting Calculations for the Gas Supply Clause."

Also enclosed herewith is a summary of our gas service rates effective for the period of May 1, 2015 through July 31, 2015.

Furthermore, we are filing a petition to seek confidentiality with respect to the names of natural gas suppliers otherwise shown on Exhibit B-1, Pages 5 of 6 and 6 of 6.

This filing represents expected gas costs for the three-month period May 1, 2015 through July 31, 2015. The Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) levels are changed from the levels that were implemented on February 1, 2015. These adjustment levels will remain in effect from May 1, 2015 through July 31, 2015.

RECEIVED

MAR 31 2015

PUBLIC SERVICE
COMMISSION

**Louisville Gas and
Electric Company**
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

Robert M. Conroy
Director - Rates
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Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
March 31, 2015

We respectfully request your acceptance of this filing which we believe is in full compliance with the provisions of the LG&E Gas Supply Clause approved by the Kentucky Public Service Commission.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. M. Conroy". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Robert M. Conroy

Enclosures

Louisville Gas and Electric Company

P.S.C. Gas No. 9, Tenth Revision of Original Sheet No. 85
Canceling P.S.C. Gas No. 9, Ninth Revision Original Sheet No. 85

Adjustment Clause

GSC
Gas Supply Clause

APPLICABLE TO
All gas sold.

GAS SUPPLY COST COMPONENT (GSCC)

Gas Supply Cost	\$0.39261	R
Gas Cost Actual Adjustment (GCAA)	0.00629	R
Gas Cost Balance Adjustment (GCBA)	0.01255	I

Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:

NONE

Performance-Based Rate Recovery Component (PBRRC)	<u>0.00452</u>	
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	\$0.41597	R

Date of Issue: March 31, 2015

Date Effective: May 1, 2015

Issued By: /s/ Edwin R. Staton, Vice President
State Regulation and Rates
Louisville, Kentucky

Issued by Authority of an Order of the
Public Service Commission in Case No.
_____ dated _____

LOUISVILLE GAS AND ELECTRIC COMPANY

**Supporting Calculations For The
Gas Supply Clause**

2015-00xxx

**For the Period
May 1, 2015 through July 31, 2015**

LOUISVILLE GAS AND ELECTRIC COMPANY

Derivation of Gas Supply Component Applicable to
Service Rendered On and After May 1, 2015

2015-00xxx

Gas Supply Cost - See Exhibit A for Detail				
Line No.	Description		Unit	Amount
1	Total Expected Gas Supply Cost		\$	11,839,289
2	Total Expected Customer Deliveries: May 1, 2015 through July 31, 2015		Mcf	3,015,568
3	Gas Supply Cost Per Mcf		\$/Mcf	3.9261
4	Gas Supply Cost Per 100 Cubic Feet		¢/Ccf	39.261

Gas Cost Actual Adjustment (GCAA) - See Exhibit B for Detail				
	Description		Unit	Amount
5	Current Quarter Actual Adjustment	Eff. May 1, 2015	2014-00348	¢/Ccf (0.570)
6	Previous Quarter Actual Adjustment	Eff. February 1, 2015	2014-00217	¢/Ccf (2.297)
7	2nd Previous Qrt. Actual Adjustment	Eff. November 1, 2014	2014-00115	¢/Ccf (0.176)
8	3rd Previous Qrt. Actual Adjustment	Eff. August 1, 2014	2013-00486	¢/Ccf 3.672
9	Total Gas Cost Actual Adjustment (GCAA)		¢/Ccf	0.629

Gas Cost Balance Adjustment (GCBA) - See Exhibit C for Detail				
	Description		Unit	Amount
10	Balance Adjustment Amount		\$	378,375
11	Total Expected Customer Deliveries: May 1, 2015 through July 31, 2015		Mcf	3,015,568
12	Gas Cost Balance Adjustment (GCBA) Per Mcf		\$/Mcf	0.1255
13	Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet		¢/Ccf	1.255

Refund Factors (RF) - See Exhibit D for Detail				
	Description		Unit	Amount
14	Refund Factor Effective:			
15	Current Quarter Refund Factor	Eff. May 1, 2015	¢/Ccf	0.000
16	1st Previous Quarter Refund Factor	Eff. February 1, 2015	¢/Ccf	0.000
17	2nd Previous Quarter Refund Factor	Eff. November 1, 2014	¢/Ccf	0.000
18	3rd Previous Quarter Refund Factor	Eff. August 1, 2014	¢/Ccf	0.000
19	Total Refund Factors Per 100 Cubic Feet		¢/Ccf	0.000

Performance-Based Rate Recovery Component (PBRR) - See Exhibit E for Detail				
	Description		Unit	Amount
20	Performance-Based Rate Recovery Component (PBRR)		¢/Ccf	0.452
21	Total of PBRR Factors Per 100 Cubic Feet		¢/Ccf	0.452

Gas Supply Cost Component (GSCC) Effective May 1, 2015				
	Description		Unit	Amount
22	Gas Supply Cost		¢/Ccf	39.261
23	Gas Cost Actual Adjustment (GCAA)		¢/Ccf	0.629
24	Gas Cost Balance Adjustment (GCBA)		¢/Ccf	1.255
25	Refund Factors (RF)		¢/Ccf	0.000
26	Performance-Based Rate Recovery Component (PBRR)		¢/Ccf	0.452
27	Total Gas Supply Cost Component (GSCC)		¢/Ccf	41.597

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Supply Costs
For the Three-Month Period From May 1, 2015 thru July 31, 2015

Line No.	MMBtu	May-2015	Jun-2015	Jul-2015	Total
1	Expected Gas Supply Transported Under Texas' No-Notice Service (Forward Haul)	869,043	1,156,858	1,407,018	3,432,919
2	Expected Gas Supply Transported Under Texas' No-Notice Service (Back Haul)	0	0	0	0
3	Expected Gas Supply Transported Under Texas' Rate FT (Forward Haul)	52,700	240,000	310,000	602,700
4	Expected Gas Supply Transported Under Texas' Rate FT (Back Haul)	310,000	300,000	310,000	920,000
5	Expected Gas Supply Transported Under Texas' Rate STF (Forward Haul)	71,300	411,000	558,000	1,040,300
6	Expected Gas Supply Transported Under Texas' Rate STF (Back Haul)	551,800	540,000	558,000	1,649,800
7	Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 0)	0	600,000	620,000	1,220,000
8	Total MMBtu Purchased	1,854,843	3,247,858	3,763,018	8,865,719
9	Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	0
10	Less: Injections into Texas Gas' NNS Storage Service	639,293	657,025	0	1,296,318
11	Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rider TS/TS-2)	1,215,550	2,590,833	3,763,018	7,569,401
Mcf					
12	Total Purchases in Mcf	1,809,603	3,168,642	3,671,237	
13	Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	
14	Less: Injections Texas Gas' NNS Storage Service	623,700	641,000	0	
15	Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS/TS-2)	1,185,903	2,527,642	3,671,237	
16	Plus: Customer Transportation Volumes under Rider TS/TS-2	9,084	7,764	3,433	
17	Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 15 + Line 16)	1,194,987	2,535,406	3,674,670	
18	Less: Purchases for Depts. Other Than Gas Dept.	266	100	134	
19	Less: Purchases Injected into LG&E's Underground Storage	0	1,617,092	2,852,869	
20	Mcf Purchases Expensed during Month (Line 15 - Line 18 - Line 19)	1,185,637	910,450	818,234	2,914,321
21	LG&E's Storage Inventory - Beginning of Month	2,350,001	2,150,001	3,739,001	
22	Plus: Storage Injections into LG&E's Underground Storage (Line 19)	0	1,617,092	2,852,869	
23	LG&E's Storage Inventory - Including Injections	2,350,001	3,767,093	6,591,870	
24	Less: Storage Withdrawals from LG&E's Underground Storage	174,800	0	0	174,800
25	Less: Storage Losses	25,200	28,092	31,869	85,161
26	LG&E's Storage Inventory - End of Month	2,150,001	3,739,001	6,560,001	
27	Mcf of Gas Supply Expensed during Month (Line 20 + Line 24 + Line 25)	1,385,637	938,542	850,103	3,174,282
Cost					
28	Total Demand Cost - Including Transportation (Line 17 x Line 52)	\$893,492	\$1,895,723	\$2,747,551	
29	Less: Demand Cost Recovered thru Rate TS (Line 16 x Line 52)	6,792	5,805	2,567	
30	Demand Cost - Net of Demand Costs Recovered thru LG&E Rider TS/TS-2	\$886,700	\$1,889,918	\$2,744,984	
31	Commodity Costs - Gas Supply Under NNS (Forward Haul) (Line 1 x Line 53)	2,464,519	3,335,684	4,141,135	
32	Commodity Costs - Gas Supply Under NNS (Backward Haul) (Line 2 x Line 54)	0	0	0	
33	Commodity Costs - Gas Supply Under Rate FT (Forward Haul) (Line 3 x Line 55)	146,385	677,976	894,164	
34	Commodity Costs - Gas Supply Under Rate FT (Backward Haul) (Line 4 x Line 56)	872,247	857,910	904,487	
35	Commodity Costs - Gas Supply Under Rate STF (Forward Haul) (Line 5 x Line 57)	198,000	1,161,034	1,609,495	
36	Commodity Costs - Gas Supply Under Rate STF (Backward Haul) (Line 6 x Line 58)	1,571,195	1,562,436	1,646,881	
37	Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 7 x Line 59)	0	1,653,180	1,744,804	
38	Total Purchased Gas Cost	\$6,139,046	\$11,138,138	\$13,685,950	\$30,963,134
39	Plus: Withdrawals from NNS Storage (Line 9 x Line 53)	0	0	0	0
40	Less: Purchases Injected into NNS Storage (Line 10 x Line 53)	1,812,971	1,894,466	0	3,707,437
41	Total Cost of Gas Delivered to LG&E	\$4,326,075	\$9,243,672	\$13,685,950	\$27,255,697
42	Less: Purchases for Depts. Other Than Gas Dept. (Line 18 x Line 60)	970	366	500	1,836
43	Less: Purchases Injected into LG&E's Storage (Line 19 x Line 60)	0	5,913,705	10,635,210	16,548,915
44	Pipeline Deliveries Expensed During Month	\$4,325,105	\$3,329,601	\$3,050,240	\$10,704,946
45	LG&E's Storage Inventory - Beginning of Month	\$10,490,639	\$9,597,819	\$15,395,852	
46	Plus: LG&E Storage Injections (Line 43 above)	0	5,913,705	10,635,210	
47	LG&E's Storage Inventory - Including Injections	\$10,490,639	\$15,511,524	\$26,031,062	
48	Less: LG&E Storage Withdrawals (Line 24 x Line 61)	780,325	0	0	\$780,325
49	Less: LG&E Storage Losses (Line 25 x Line 61)	112,495	115,672	125,851	354,018
50	LG&E's Storage Inventory - End of Month	\$9,597,819	\$15,395,852	\$25,905,211	
51	Gas Supply Expenses (Line 44 + Line 48 + Line 49)	\$5,217,925	\$3,445,273	\$3,176,091	\$11,839,289
Unit Cost					
52	12-Month Average Demand Cost - per Mcf (see Page 2)	\$0.7477	\$0.7477	\$0.7477	
53	Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service (Forward Haul)	\$2.8359	\$2.8834	\$2.9432	
54	Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service (Back Haul)	\$2.9639	\$3.0114	\$3.0713	
55	Commodity Cost (per MMBtu) under Texas Gas's Rate FT (Forward Haul)	\$2.7777	\$2.8249	\$2.8844	
56	Commodity Cost (per MMBtu) under Texas Gas's Rate FT (Back Haul)	\$2.8137	\$2.8597	\$2.9177	
57	Commodity Cost (per MMBtu) under Texas Gas's Rate STF (Forward Haul)	\$2.7770	\$2.8249	\$2.8844	
58	Commodity Cost (per MMBtu) under Texas Gas's Rate STF (Back Haul)	\$2.8474	\$2.8934	\$2.9514	
59	Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 0)	\$2.7086	\$2.7553	\$2.8142	
60	Average Cost of Deliveries (Line 41 / Line 15)	\$3.6479	\$3.6570	\$3.7279	
61	Average Cost of Inventory - Including Injections (Line 47 / Line 23)	\$4.4641	\$4.1176	\$3.9490	
Gas Supply Cost					
62	Total Expected Mcf Deliveries (Sales) to Customers May 1, 2015 through July 31, 2015				3,015,568 Mcf
63	Current Gas Supply Cost (Line 51 / Line 62)				\$3,9261 / Mcf

Annual Demand Costs

Line No.	Pipeline and Rate	Monthly Demand Charge	MMBtu	No. of Months	Annual Demand Costs
1	Texas Gas No-Notice Service (Rate NNS)	\$12.7104	119,913	12	\$18,289,706
2	Texas Gas Firm Transportation (Rate FT)	\$5.4329	10,000	12	651,948
3	Texas Gas Firm Transportation (Rate STF) 5-Year Contract	\$5.6465	10,500	12	711,459
4	Texas Gas Firm Transportation (Rate STF) One Month Contract	\$13.1797	2,917	12	461,342
5	Tenn. Gas Firm Transportation (Rate FT-A)	\$7.6445	20,000	12	1,834,680
6	Long-Term Firm Contracts with Suppliers (Annualized)				3,676,147
Total Annual Demand Costs					\$25,625,282

Average Demand Cost per Mcf

8	Total Annual Demand Costs (Line 7)	\$25,625,282
9	Expected Annual Deliveries from Pipeline Transporters in Mcf (incl Rider TS/TS-2)	34,270,165
10	Average Demand Cost per Mcf (Line 8 / Line 9)	\$0.7477

Pipeline Supplier's Demand Component Applicable to Billings
Under LG&E's Gas Transportation Service/Standby - Rider TS/TS-2

11	Average Demand Cost (Line 10)	\$0.7477
12	Refund Factor for Demand Portion of Texas Gas Refund (see Exhibit D)	0.0000
13	Performance Based Rate Recovery Demand Component (see Exhibit E)	0.0214
14	PSDC Charge per Mcf	\$0.7691

Daily Demand Charge Component of Utilization Charge
For Daily Imbalance under Rate FT and Rider PS-FT

15	Total Annual Demand Costs (Line 7)	\$25,625,282
16	Design Day Requirements in Mcf (determined in last rate case)	445,164
17	UCDI Charge (Line 15/Line 16/365 days)	\$0.1577

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2015-00XXX

Gas Supply Cost Effective May 1, 2015

LG&E is served by Texas Gas Transmission, LLC (“TGT”) pursuant to the terms of the transportation agreements under Rate Schedules NNS-4, FT-4, and STF-4. LG&E is served by Tennessee Gas Pipeline Company, LLC (“TGPL”) pursuant to the terms of a transportation agreement under Rate Schedule FT-A-2. Both TGT and TGPL are subject to regulation by the Federal Energy Regulatory Commission (“FERC”).

Texas Gas Transmission, LLC

Texas Gas’s No-Notice Service (NNS-4)

On August 1, 2013, TGT submitted tariff sheets to the FERC in Docket No. RP13-1163 to comply with FERC’s Order No. 776 issued March 21, 2013, eliminating the annual filing requirements for natural gas pipelines that utilize an annual charge adjustment (“ACA”) clause to recover Commission-assessed annual charges. Order No. 776 requires pipelines that utilize an ACA clause to make a compliance filing to delete specific references to the currently effective ACA charge and instead incorporate by reference into their tariffs the ACA unit charge specified in the annual notice issued by FERC and posted on its website. Effective October 1, 2014, the ACA charge is \$0.0014/MMBtu. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

Attached hereto as Exhibit A-1(a), Page 1, is the tariff sheet for No-Notice Service under Rate NNS-4 which will be applicable on and after May 1, 2015. The tariffed rates are as follows: (a) a daily demand charge of \$0.4190/MMBtu, and (b) a commodity charge of \$0.0628/MMBtu irrespective of the zone of receipt.

One of LG&E’s transportation agreements under Rate NNS has been extended for an additional term of 5 years, from November 1, 2015, through October 31, 2020.

LG&E has negotiated rate agreements applicable to all three NNS service agreements that result in a monthly demand charge of \$12.7104/MMBtu and a volumetric throughput charge (“commodity charge”) of \$0.0628/MMBtu irrespective of the zone of receipt.

Texas Gas’s Firm Transportation Service (FT-4)

On August 1, 2013, TGT submitted tariff sheets to the FERC in Docket No. RP13-1163 to comply with FERC’s Order No. 776 issued March 21, 2013, eliminating the annual filing requirements for natural gas pipelines that utilize an annual charge adjustment (“ACA”) clause to recover Commission-assessed annual charges. Order No. 776 requires pipelines that utilize an ACA clause

to make a compliance filing to delete specific references to the currently effective ACA charge and instead incorporate by reference into their tariffs the ACA unit charge specified in the annual notice issued by FERC and posted on its website. Effective October 1, 2014, the ACA charge is \$0.0014/MMBtu. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

Attached hereto as Exhibit A-1(a), Pages 2 and 3, are the tariff sheets for transportation service under Rate FT-4 which will be applicable on and after May 1, 2015. Page 2 contains the tariff sheet which sets forth the TGT daily demand charges. Page 3 contains the tariff sheet which sets forth the commodity charges. The tariffed rates are as follows: (a) a daily demand charge of \$0.3142/MMBtu, (b) a commodity charge applicable to transportation from Zone 1 to Zone 4 of \$0.0522/MMBtu, and (c) a commodity charge applicable to transportation from Zone 4 to Zone 4 of \$0.0374/MMBtu.

LG&E has negotiated rate agreements that result in a monthly demand charge of \$5.4329/MMBtu, an annual volumetric throughput charge (“commodity charge”) of \$0.0214/MMBtu applicable to transportation from Zone 1 to 4, and an annual volumetric throughput charge (“commodity charge”) of \$0.0037/MMBtu applicable to transportation from Zone 4 to 4.

Texas Gas’s Short-Term Firm Service (STF-4): Summer Season Contract

On August 1, 2013, TGT submitted tariff sheets to the FERC in Docket No. RP13-1163 to comply with FERC’s Order No. 776 issued March 21, 2013, eliminating the annual filing requirements for natural gas pipelines that utilize an annual charge adjustment (“ACA”) clause to recover Commission-assessed annual charges. Order No. 776 requires pipelines that utilize an ACA clause to make a compliance filing to delete specific references to the currently effective ACA charge and instead incorporate by reference into their tariffs the ACA unit charge specified in the annual notice issued by FERC and posted on its website. Effective October 1, 2014, the ACA charge is \$0.0014/MMBtu. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

Attached hereto as Exhibit A-1 (a), Page 4, is the sheet for Short-Term Firm Service under Rate STF-4 which will be applicable on and after May 1, 2015. The tariffed rates are as follows: for the summer season, (a) a daily demand charge of \$0.1847/MMBtu, and (b) a commodity charge of \$0.0522 applicable to transportation from Zone 1 to 4; and (c) a commodity charge of \$0.0374 applicable to transportation from Zone 4 to 4.

LG&E has negotiated rate agreements that result in the following charges: a weighted-average monthly demand charge of \$5.6465/MMBtu; and for summer season deliveries up to 18,000 MMBtu/day a summer season commodity rate of \$0.0214/MMBtu applicable to transportation from Zone 1 to 4; and for summer season deliveries in excess of 18,000 MMBtu/day a summer season commodity rate of \$0.0374/MMBtu applicable to transportation from Zone 4 to 4.

Texas Gas's Short-Term Firm Service (STF-4): One-Month Contract for January 2015

On August 1, 2013, TGT submitted tariff sheets to the FERC in Docket No. RP13-1163 to comply with FERC's Order No. 776 issued March 21, 2013, eliminating the annual filing requirements for natural gas pipelines that utilize an annual charge adjustment ("ACA") clause to recover Commission-assessed annual charges. Order No. 776 requires pipelines that utilize an ACA clause to make a compliance filing to delete specific references to the currently effective ACA charge and instead incorporate by reference into their tariffs the ACA unit charge specified in the annual notice issued by FERC and posted on its website. Effective October 1, 2014, the ACA charge is \$0.0014/MMBtu. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

Attached hereto as Exhibit A-1 (a), Page 4, is the sheet for Short-Term Firm Service under Rate STF-4 which will be applicable on and after May 1, 2015. The tariffed rates are as follows: for the winter season, (a) a daily demand charge of \$ \$0.4252/MMBtu, and (b) a commodity charge of \$0.0522/MMBtu applicable to transportation from Zone 1 to 4.

The applicable tariff sheet is included as Exhibit A-1(a), page 4.

Therefore, the composite rates under the one-month contract for service under Rate Schedule STF (as described above) are a weighted-average monthly demand charge of \$13.1797/MMBtu (as calculated and set forth on Exhibit 12); and the Winter Season commodity charges as described immediately above.

Tennessee Gas Pipeline Company, LLC

TGPL's Firm Transportation Service (FT-A-2)

On September 30, 2014, TGPL submitted tariff sheets in Docket No. RP14-1306. This filing provided for the recovery of certain pipeline safety and greenhouse gas ("PS&GHG") costs via demand and commodity surcharges pursuant to the settlement approved by FERC in RP11-1566. The effective date for the Rate FT-A tariff sheets is November 1, 2014. TGPL did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

Pursuant to FERC's Order No. 776 pipelines that utilize an annual charge adjustment ("ACA") clause, pipelines may incorporate by reference into their tariffs the ACA unit charge specified in the annual notice issued by FERC and posted on its website. Tennessee's compliance filing was made in accordance with that Order in Docket RP13-1196. Effective October 1, 2014, the ACA charge is \$0.0014/MMBtu.

Attached hereto as Exhibit A-1 (a), Pages 5, and 6, are the tariff sheet for transportation service under Rate FT-A, which will be applicable on and after May 1, 2015. Page 5 contains the tariff sheet which sets forth the monthly demand charges and Page 6 contains the tariff sheet which sets forth the commodity charges. The tariffed rates are as follows for deliveries from Zone 0 to Zone 2: (a) a monthly demand charge of \$16.0575/MMBtu, and (b) a commodity charge of \$0.0177/MMBtu.

LG&E has negotiated rate agreements that result in a monthly demand charge of \$7.6445/MMBtu and an annual volumetric throughput charge (“commodity charge”) of \$0.0498/MMBtu for deliveries from Zone 0 to Zone 2.

Gas Supply Costs

The New York Mercantile Exchange (“NYMEX”) natural gas futures prices as of March 27, 2015, are \$2.639/MMBtu for May, \$2.688/MMBtu for June, and \$2.748/MMBtu for July. The average of the NYMEX close and the six preceding trading days has been used as a general price indicator.

The wholesale natural gas market is not price-regulated and is subject to the forces of supply and demand, as well as psychological factors that can affect the market. Among the forces that are presumably affecting the price of natural gas are:

- National gas storage inventories are 64% higher compared to the same period one year ago;¹
- Economic recovery could boost the demand for natural gas in the industrial sector;
- Fuel switching from coal to gas could boost natural gas prices by increasing demand;
- New domestic supplies from unconventional shale gas plays are impacting the marketplace;
- New pipeline infrastructure is being developed to deliver natural gas supplies to the marketplace;
- Imports or exports of LNG could impact the supply and demand for natural gas;
- Gas-fired electric generation loads could boost weather-driven demand for natural gas; and
- Gas supply disruptions could boost prices.

Traditionally, LG&E has purchased gas in the Gulf production areas (both onshore and offshore, including Louisiana, Texas, and Arkansas) and used its interstate pipeline capacity to deliver that gas by forwardhaul to its gas distribution system in Kentucky. Due to the increasing availability of gas supplies outside of the traditional production areas, LG&E is able to supplement traditional forwardhaul transportation of natural gas purchased in the Gulf with gas purchased at the terminus of Texas Gas’s system at Lebanon, Ohio (which is north of LG&E’s system). Gas purchased at the terminus of Texas Gas’s system can be delivered to LG&E’s system by displacement using backhaul capabilities in LG&E’s existing interstate pipeline capacity.

¹ The weekly gas storage survey issued by the Energy Information Administration (“EIA”) for the week ending March 20, 2015, indicated that storage inventory levels were 64% higher than last year’s levels. Storage inventories across the nation are 575 Bcf (1,479 Bcf – 904 Bcf), or 64%, higher this year than the same period one year ago. Last year at this time, 904 Bcf was held in storage, while this year 1,479 Bcf is held in storage. Storage inventories across the nation are 194 Bcf (1,479 Bcf – 1,673 Bcf), or 12% lower this year than the five-year average. On average for the last five years at this time, 1,673 Bcf was held in storage. Higher storage inventory levels and the lack of demand for natural gas tend to drive natural gas prices lower. Conversely, lower storage levels, interruptions of gas supply, or increases in demand for natural gas tend to cause increases in the expected price of natural gas.

In late December 2013, Texas Gas initiated an Open Season for firm pipeline capacity designed to provide its customers (such as LG&E) with firm access to gas supplies from the Marcellus and Utica Shale production areas. On January 16, 2014, Texas Gas released the results of its Open Season. LG&E was notified that it had been awarded 60,000 MMBtu/day as submitted by LG&E in its bid of December 20, 2013. The term of the capacity agreement runs from June 1, 2016, through October 31, 2026. The awards made in the Open Season by Texas Gas are subject to Texas Gas's receipt of certain approvals by the regulatory bodies having jurisdiction, including FERC, and the timely construction of the required facilities.

During the three-month period under review, May 1, 2015, through July 31, 2015, LG&E estimates that its total purchases will be 7,569,401 MMBtu. LG&E expects that 2,136,601 MMBtu will be met with deliveries from TGT's pipeline service under Rate NNS (3,432,919 MMBtu in pipeline forwardhaul deliveries minus 1,296,318 in storage injections plus 0 MMBtu in storage withdrawals); 602,700 MMBtu will be met from forwardhaul deliveries and 920,000 MMBtu backhaul deliveries under TGT's pipeline service under Rate FT; 1,040,300 MMBtu will be met from forwardhaul deliveries and 1,649,800 MMBtu backhaul deliveries under TGT's pipeline service under Rate STF; 1,220,000 MMBtu will be met from deliveries under TGPL's pipeline service under Rate FT-A from Zone 0.

The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the forwardhaul NNS service is expected to be \$2.6860 per MMBtu in May 2015, \$2.7320 per MMBtu in June 2015, and \$2.7900 per MMBtu in July 2015. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the backhaul NNS service is expected to be \$2.8100 per MMBtu in May 2015, \$2.8560 per MMBtu in June 2015, and \$2.9140 per MMBtu in July 2015. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the forwardhaul FT service is expected to be \$2.6860 per MMBtu in May 2015, \$2.7320 per MMBtu in June 2015, and \$2.7900 per MMBtu in July 2015. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the backhaul FT service is expected to be \$2.8100 per MMBtu in May 2015, \$2.8560 per MMBtu in June 2015, and \$2.9140 per MMBtu in July 2015. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the forwardhaul STF service is expected to be \$2.6860 per MMBtu in May 2015, \$2.7320 per MMBtu in June 2015, and \$2.7900 per MMBtu in July 2015. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the backhaul STF service is expected to be \$2.8100 per MMBtu in May 2015, \$2.8560 per MMBtu in June 2015, and \$2.9140 per MMBtu in July 2015. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL under Rate FT-A from its Zone 0 is expected to be \$2.6200 per MMBtu in May 2015, \$2.6660 per MMBtu in June 2015, and \$2.7240 per MMBtu in July 2015.

Set forth below are the commodity costs as delivered to LG&E after giving effect to TGT's and TGPL's commodity charges for transporting the gas under Rates NNS, FT, STF, and FT-A and the applicable retention percentages:

RATE NNS
SYSTEM SUPPLY FORWARDHAUL PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S NO-NOTICE SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RATE NNS RETENTION (TO ZONE 4)</u>	<u>TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2015	\$2.6860	3.14%	\$0.0628	\$2.8359
June 2015	\$2.7320	3.14%	\$0.0628	\$2.8834
July 2015	\$2.7900	3.14%	\$0.0628	\$2.9432

RATE NNS
SYSTEM SUPPLY BACKHAUL PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S NO-NOTICE SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RATE NNS RETENTION (TO ZONE 4)</u>	<u>TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2015	\$2.8100	3.14%	\$0.0628	\$2.9639
June 2015	\$2.8560	3.14%	\$0.0628	\$3.0114
July 2015	\$2.9140	3.14%	\$0.0628	\$3.0713

RATE FT
SYSTEM SUPPLY FORWARDHAUL PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S FIRM TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 1 TO 4)</u>	<u>RATE FT TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2015	\$2.6860	2.55%	\$0.0214	\$2.7777
June 2015	\$2.7320	2.55%	\$0.0214	\$2.8249
July 2015	\$2.7900	2.55%	\$0.0214	\$2.8844

RATE FT
SYSTEM SUPPLY BACKHAUL PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S FIRM TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 1 TO 4)</u>	<u>RATE FT TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2015	\$2.8100	0.00%	\$0.0037	\$2.8137
June 2015	\$2.8560	0.00%	\$0.0037	\$2.8597
July 2015	\$2.9140	0.00%	\$0.0037	\$2.9177

RATE STF
SYSTEM SUPPLY FORWARDHAUL PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S SHORT-TERM FIRM
TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 1 TO 4)</u>	<u>RATE STF TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2015	\$ 2.6860	2.55%	\$0.0214	\$ 2.7777
June 2015	\$ 2.7320	2.55%	\$0.0214	\$ 2.8249
July 2015	\$ 2.7900	2.55%	\$0.0214	\$ 2.8844

RATE STF
SYSTEM SUPPLY BACKHAUL PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S SHORT-TERM FIRM
TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 1 TO 4)</u>	<u>RATE STF TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2015	\$ 2.8100	0.00%	\$0.0374	\$ 2.8474
June 2015	\$ 2.8560	0.00%	\$0.0374	\$ 2.8934
July 2015	\$ 2.9140	0.00%	\$0.0374	\$ 2.9514

RATE FT-A-2
SYSTEM SUPPLY FORWARDHAUL PURCHASE PRICE PER MMBTU
UNDER TENNESSEE GAS'S FIRM
TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TENN. GAS</u>	<u>RETENTION (TO ZONE 2)</u>	<u>RATE FT-A-2 TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
Zone 0				
May 2015	\$ 2.6200	1.46%	\$0.0498	\$ 2.7086
June 2015	\$ 2.6660	1.46%	\$0.0498	\$ 2.7553
July 2015	\$ 2.7240	1.46%	\$0.0498	\$ 2.8142

The annual demand billings covering the 12 months from May 1, 2015 through April 30, 2016, for the firm contracts with natural gas suppliers are currently expected to be \$3,676,147.

Rate FT and Rider PS-FT

The demand-related supply costs applicable to the Utilization Charge for Daily Imbalances under Rate FT and Rider PS-FT applicable during the three-month period of May 1, 2015 through July 31, 2015 are set forth on Exhibit A, Page 2.

Any revenue collected from the application of these charges will flow directly into the Gas Supply Cost Actual Adjustment ("GCAA") in future Gas Supply Clause filings. Therefore, the revenue collected through application of these charges will reduce the total Gas Supply Cost Component ("GSCC") charged to LG&E's sales customers.

Texas Gas Transmission, LLC
FERC NGA Gas Tariff
Fourth Revised Volume No. 1
Effective On: October 1, 2013

Section 4.1
Currently Effective Rates - FT
Version 6.0.0

**Currently Effective Maximum Daily Demand Rates (\$ per MMBtu)
For Service Under Rate Schedule FT**

Currently Effective Rates [1]

SL-SL	0.0794
SL-1	0.1552
SL-2	0.2120
SL-3	0.2494
SL-4	0.3142
1-1	0.1252
1-2	0.1820
1-3	0.2194
1-4	0.2842
2-2	0.1332
2-3	0.1705
2-4	0.2334
3-3	0.1181
3-4	0.1810
4-4	0.1374

Minimum Rates: Demand \$-0-

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that Intra-zone rates shall apply to Intra-zone transportation, whether such Intra-zone transportation is forward haul or backhaul.

[1] Currently Effective Rates are equal to the Base Tariff Rates.

Notes:

- The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 6.16 of the General Terms and Conditions.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP Interconnects in Panola County, Texas, Customer shall pay an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Texas Gas Transmission, LLC
FERC NGA Gas Tariff
Fourth Revised Volume No. 1
Effective On: October 1, 2013

Section 4.1
Currently Effective Rates - FT
Version 6.0.0

Currently Effective Maximum Commodity Rates (\$ per MMBtu)
For Service Under Rate Schedule FT

	Base Tariff Rates
SL-SL	0.0104
SL-1	0.0355
SL-2	0.0399
SL-3	0.0446
SL-4	0.0628
1-1	0.0337
1-2	0.0385
1-3	0.0422
1-4	0.0508
2-2	0.0323
2-3	0.0360
2-4	0.0446
3-3	0.0312
3-4	0.0398
4-4	0.0360

The above rates shall be increased to include the ACA unit charge pursuant to Section 6.9[7] of the General Terms and Conditions.

Minimum Rates: Commodity minimum base rates are presented in Section 4.12.

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

Notes:

- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP Interconnects in Panola County, Texas, Customer shall pay an incremental commodity charge of \$0.0068. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Texas Gas Transmission, LLC
FERC NGA Gas Tariff
Fourth Revised Volume No. 1
Effective On: July 7, 2011

Section 4.2
Currently Effective Rates - STF
Version 4.0.0

Currently Effective Maximum Transportation Rates (\$ per MMBtu)
For Service under Rate Schedule STF

	<u>Peak (Winter)-Demand</u>	<u>Off-Peak (Summer)-Demand</u>
	<u>Currently Effective Rates [1]</u>	<u>Currently Effective Rates [1]</u>
SL-SL	0.1188	0.0516
SL-1	0.2322	0.1009
SL-2	0.3172	0.1378
SL-3	0.3731	0.1621
SL-4	0.4701	0.2042
1-1	0.1873	0.0814
1-2	0.2723	0.1183
1-3	0.3282	0.1426
1-4	0.4252	0.1847
2-2	0.1992	0.0866
2-3	0.2551	0.1108
2-4	0.3492	0.1517
3-3	0.1766	0.0768
3-4	0.2707	0.1177
4-4	0.2056	0.0893

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

Notes:

- The STF commodity rate is the applicable FT commodity rate in Section 4.1.
The STF overrun rate equals the daily demand rate plus applicable FT commodity rate.
Minimum rate: Demand \$-0- The minimum commodity rate is presented in Section 4.12.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP Interconnects in Panola County, Texas, Customer shall pay an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Tennessee Gas Pipeline Company, L.L.C.
FERC NGA Gas Tariff
Sixth Revised Volume No. 1

Seventh Revised Sheet No. 14
Superseding
Sixth Revised Sheet No. 14

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
RATE SCHEDULE FOR FT-A

Base Reservation Rates		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$5.7125		\$11.9375	\$16.0575	\$16.3417	\$17.9562	\$19.0597	\$23.9133	
L		\$5.0714							
1	\$8.5997		\$8.2435	\$10.9704	\$15.5407	\$15.3052	\$17.2607	\$21.2245	
2	\$16.0576		\$10.9045	\$5.6715	\$5.3018	\$6.7838	\$9.3303	\$12.0443	
3	\$16.3417		\$8.6375	\$5.7173	\$4.1246	\$6.3358	\$11.4587	\$13.2409	
4	\$20.7484		\$19.1282	\$7.2895	\$11.0779	\$5.4225	\$5.8643	\$8.3778	
5	\$24.7395		\$17.3840	\$7.6466	\$9.2524	\$6.0239	\$5.6505	\$7.3560	
6	\$28.6189		\$19.9668	\$13.7419	\$15.1387	\$10.6934	\$5.6256	\$4.8698	

Daily Base Reservation Rate 1/		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$0.1879		\$0.3925	\$0.5279	\$0.5373	\$0.5903	\$0.6266	\$0.7862	
L		\$0.1668							
1	\$0.2827		\$0.2710	\$0.3607	\$0.5109	\$0.5032	\$0.5675	\$0.6977	
2	\$0.5279		\$0.3585	\$0.1865	\$0.1743	\$0.2230	\$0.3068	\$0.3960	
3	\$0.5373		\$0.2840	\$0.1880	\$0.1356	\$0.2083	\$0.3768	\$0.4353	
4	\$0.6821		\$0.6289	\$0.2396	\$0.3642	\$0.1782	\$0.1928	\$0.2754	
5	\$0.8133		\$0.5716	\$0.2513	\$0.3042	\$0.1981	\$0.1857	\$0.2419	
6	\$0.9409		\$0.6564	\$0.4518	\$0.4977	\$0.3515	\$0.1849	\$0.1601	

Maximum Reservation Rates 2/, 3/		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$5.7528		\$11.9778	\$16.0978	\$16.3820	\$17.9965	\$19.1000	\$23.9536	
L		\$5.1117							
1	\$8.6400		\$8.2838	\$11.0107	\$15.5810	\$15.3455	\$17.3010	\$21.2648	
2	\$16.0979		\$10.9448	\$5.7118	\$5.3421	\$6.8241	\$9.3706	\$12.0846	
3	\$16.3820		\$8.6778	\$5.7576	\$4.1649	\$6.3761	\$11.4990	\$13.2812	
4	\$20.7887		\$19.1685	\$7.3298	\$11.1182	\$5.4628	\$5.9046	\$8.4181	
5	\$24.7798		\$17.4243	\$7.6869	\$9.2927	\$6.0642	\$5.6908	\$7.3963	
6	\$28.6592		\$20.0071	\$13.7822	\$15.1790	\$10.7337	\$5.6659	\$4.9101	

Notes:

- 1/ Applicable to demand charge credits and secondary points under discounted rate agreements.
- 2/ Includes a per Dth charge for the PCB Surcharge Adjustment per Article XXXII of the General Terms and Conditions of \$0.0000.
- 3/ Includes a per Dth charge for the PS/GHG Surcharge Adjustment per Article XXXVIII of the General Terms and Conditions of \$0.0403.

Tennessee Gas Pipeline Company, L.L.C.
FERC NGA Gas Tariff
Sixth Revised Volume No. 1

Tenth Revised Sheet No. 15
Superseding
Ninth Revised Sheet No. 15

RATES PER DEKATHERM

COMMODITY RATES
RATE SCHEDULE FOR FT-A

Base Commodity Rates

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0032		\$0.0115	\$0.0177	\$0.0219	\$0.2751	\$0.2625	\$0.3124
L		\$0.0012						
1	\$0.0042		\$0.0081	\$0.0147	\$0.0179	\$0.2339	\$0.2385	\$0.2723
2	\$0.0167		\$0.0087	\$0.0012	\$0.0028	\$0.0757	\$0.1214	\$0.1345
3	\$0.0207		\$0.0169	\$0.0026	\$0.0002	\$0.1012	\$0.1400	\$0.1528
4	\$0.0250		\$0.0205	\$0.0087	\$0.0105	\$0.0468	\$0.0662	\$0.1073
5	\$0.0284		\$0.0256	\$0.0100	\$0.0118	\$0.0659	\$0.0653	\$0.0811
6	\$0.0346		\$0.0300	\$0.0143	\$0.0163	\$0.1014	\$0.0549	\$0.0334

Minimum Commodity Rates 1/, 2/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0032		\$0.0115	\$0.0177	\$0.0219	\$0.0250	\$0.0284	\$0.0346
L		\$0.0012						
1	\$0.0042		\$0.0081	\$0.0147	\$0.0179	\$0.0210	\$0.0256	\$0.0300
2	\$0.0167		\$0.0087	\$0.0012	\$0.0028	\$0.0056	\$0.0100	\$0.0143
3	\$0.0207		\$0.0169	\$0.0026	\$0.0002	\$0.0081	\$0.0118	\$0.0163
4	\$0.0250		\$0.0205	\$0.0087	\$0.0105	\$0.0028	\$0.0046	\$0.0092
5	\$0.0284		\$0.0256	\$0.0100	\$0.0118	\$0.0046	\$0.0046	\$0.0066
6	\$0.0346		\$0.0300	\$0.0143	\$0.0163	\$0.0086	\$0.0041	\$0.0020

Maximum Commodity Rates 1/, 2/, 3/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0047		\$0.0130	\$0.0192	\$0.0234	\$0.2766	\$0.2640	\$0.3139
L		\$0.0027						
1	\$0.0057		\$0.0096	\$0.0162	\$0.0194	\$0.2354	\$0.2400	\$0.2738
2	\$0.0182		\$0.0102	\$0.0027	\$0.0043	\$0.0772	\$0.1229	\$0.1360
3	\$0.0222		\$0.0184	\$0.0041	\$0.0017	\$0.1027	\$0.1415	\$0.1543
4	\$0.0265		\$0.0220	\$0.0102	\$0.0120	\$0.0483	\$0.0677	\$0.1088
5	\$0.0299		\$0.0271	\$0.0115	\$0.0133	\$0.0674	\$0.0668	\$0.0826
6	\$0.0361		\$0.0315	\$0.0158	\$0.0178	\$0.1029	\$0.0564	\$0.0349

Notes:

- 1/ Rates stated above exclude the ACA Surcharge as revised annually and posted on the FERC website at <http://www.ferc.gov> on the Annual Charges page of the Natural Gas section. The ACA Surcharge is incorporated by reference into Transporter's Tariff and shall apply to all transportation under this Rate Schedule as provided in Article XXIV of the General Terms and Conditions.
- 2/ The applicable F&LR's and EPCR's, determined pursuant to Article XXXVII of the General Terms and Conditions, are listed on Sheet No. 32.
- 3/ Includes a per Dth charge for the PS/GHG Surcharge Adjustment per Article XXXVIII of the General Terms and Conditions of \$0.0015.

LOUISVILLE GAS AND ELECTRIC COMPANY**Gas Supply Clause: 2015-00XXX****Calculation of Gas Cost Actual Adjustment (GCAA)**

The purpose of this adjustment is to compensate for over- or under-recoveries which result from differences between various quarters' revenues collected to recover expected gas costs and the actual gas costs incurred during each such quarter. As shown on Page 1 of Exhibit B-1, the amount of over-recovery from Case Number 2014-00348 during the three-month period of November 1, 2014 through January 31, 2015 was \$1,840,078. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a refund of 0.570¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after May 1, 2015, and continue for 12 months. Also enclosed, on pages 5 and 6 of Exhibit B-1, is a breakdown of gas purchases for the three-month period from November 2014 through January 2015. [Please note that the names of the suppliers have been redacted from this page, in accordance with LG&E's Petition for Confidentiality filed this quarter.]

Also in this filing, LG&E will be eliminating the GCAA from Case Number 2013-00361, with service rendered through April 30, 2015, which will have been in effect for twelve months. Any over- or under-recovery of the amount originally established in this GCAA will be transferred to the Gas Cost Balance Adjustment (GCBA) which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after the month of August 2015.

Therefore, the Gas Cost Actual Adjustment will be as follows:

Current Quarter Actual Adjustment:		
Effective May 1, 2015 from 2014-00348	(0.570)	cents/Ccf
Previous Quarter Actual Adjustment:		
Effective February 1, 2015 from 2014-00217	(2.297)	cents/Ccf
2nd Previous Quarter Actual Adjustment:		
Effective November 1, 2014 from 2014-00115	(0.176)	cents/Ccf
3rd Previous Quarter Actual Adjustment:		
Effective August 1, 2014 from 2013-00486	3.672	cents/Ccf
Total Gas Cost Actual Adjustment (GCAA)	0.629	cents/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Cost Actual Adjustment
Which Compensates for Over- or Under-
Recoveries of Gas Supply Costs
For Service Rendered On and After May 1, 2015

Line No.	Recovery Period	Case Number	Total Dollars of Gas Cost Recovered ¹	Gas Supply Cost Per Books ²	(Over)/Under Recovery
(1)	(2)	(3)	(4)	(5)	(5) - (4)
1	Nov-2014	2014-00348	\$6,398,847	\$22,269,796	\$15,870,949
2	Dec-2014	2014-00348	\$25,491,155	\$24,872,326	(\$618,829)
3	Jan-2015	2014-00348	\$32,757,747	\$31,512,514	(\$1,245,233)
4	Feb-2015	(Note 3)	\$15,846,965	\$0	(\$15,846,965)
5			\$80,494,714	\$78,654,636	(\$1,840,078)
6		(Over)/Under Recovery	(\$1,840,078)		
7		Expected Mcf Sales for			
8	12-Month Period	from Date Implemented	32,257,294		
9		GCAA Factor per Mcf	(\$0.0570)		
10		GCAA Factor per Ccf	(\$0.00570)		
11		GCAA Factor Cents per Ccf	(0.570)		

¹ See Page 2 of this Exhibit.

² See Page 4 of this Exhibit.

³ Current sales included in meter readings for prior month

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Costs Recovered
Under Company's Gas Supply Clause
For Service Rendered On and After May 1, 2015

Line No.	Recovery Period	Comments	Case No.	Total Mcf Sales for Month	Mcf Sales Applicable to GCAA Period	Gas Supply Cost per Mcf	Dollars Recovered Under GSC
(1)	(2)		(3)	(4)	(5)	(6)	(7) = (5) x (6)
1	Nov-2014	Prorated	2014-00348	2,590,843 ¹	1,240,590 ²	\$5.0459	\$6,259,894
2	Dec-2014		2014-00348	5,040,088	5,040,088	\$5.0459	\$25,431,780
3	Jan-2015		2014-00348	6,463,268	6,463,268	\$5.0459	\$32,613,004
4	Feb-2015	Prorated	2014-00348	6,355,918 ¹	3,140,563 ²	\$5.0459	\$15,846,965
5					15,884,509		\$80,151,643

	Mcf of Customer-Owned Gas Transported Under Rate TS-2	Pipeline Suppliers' Demand Component Per Mcf	Rate TS-2 Gas True-Up Charge Revenue	\$ Recovered Under Rate TS-2 (11) = (8) x (9)+(10)	\$ Recovered Under Rate FT ³	\$ from OSS	Total \$ Recovered (14) = (7)+(11)+(12)+(13)
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
6	33,796.6	\$0.7385	\$7,036.25	\$31,995	\$106,958	\$0	\$6,398,847
7	31,458.2	\$0.7385	\$5,215.59	\$28,447	\$30,928	\$0	\$25,491,155
8	29,614.8	\$0.7385	\$3,075.09	\$24,946	\$119,797	\$0	\$32,757,747
9		\$0.7385		\$0	\$0		\$15,846,965
10	94,869.6		\$15,326.93	\$85,388	\$257,683	\$0	\$80,494,714

¹ For information purposes only, volumes will be prorated

² Portion of month billed at rate effective this quarter

³ See Page 3 of this Exhibit

LOUISVILLE GAS AND ELECTRIC COMPANY
 Summary of Gas Costs Recovered
 Under Provisions of Rate FT
 For Service Rendered On and After May 1, 2015

Line No.	Recovery Period	Case Number	UCDI Demand Chrg / Mcf	Cash-Out Sales (Mcf)	Cash-Out Sales (\$)	MMBTU Adjust. (Mcf)	MMBTU Adjust. (\$)	UCDI Mcf	UCDI \$ [(3) x (8)]	OFO \$	Action Alert \$	Rate FT Gas True-Up Charge Revenue	Monthly \$'s Recovered [(5)+(7)+(9)+(10)+(11)+(12)]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	Nov-2014	2014-00348	\$ 0.1576	7,447.3	\$28,507	-	\$ -	178,236.8	\$28,090.12	\$47,588.92	\$0.00	\$2,772.43	\$106,958
2	Dec-2014	2014-00348	\$ 0.1576	-	-	-	\$ -	172,312.0	\$27,156.37	\$0.00	\$0.00	\$3,771.92	\$30,928
3	Jan-2015	2014-00348	\$ 0.1576	30,510.6	\$68,017	-	\$ -	269,791.0	\$42,519.06	\$5,274.83	\$0.00	\$3,985.53	\$119,797
4	Total Amount to Transfer to Exhibit B-1, Page 2											\$10,530	\$257,683

Note: Should a Customer served under Rate FT under-nominate its monthly gas supply needs, a Cash-Out Sale is made to the Customer. This sale, which is based upon the cash-out price established in Rate FT, is also flowed through the GCAA as revenue.

Note: Changes in billings of the Cash-out Provision caused by variations in the MMBTU content of the gas are corrected on the following month's bill. Should such change occur as a charge to the customer, such revenue is flowed through the GCAA.

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM NOVEMBER 2014 THROUGH JANUARY 2015

DELIVERED BY TEXAS GAS TRANSMISSION, LLC

COMMODITY AND VOLUMETRIC CHARGES:

	NOVEMBER 2014			DECEMBER 2014			JANUARY 2015			
	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	
NATURAL GAS SUPPLIERS:										
1.	A	610,260	595,376	\$2,293,200.00	630,602	615,221	\$2,740,710.00	630,602	615,221	\$2,024,610.00
2.	B	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
3.	C	38,744	37,799	\$161,600.00	0	0	\$0.00	0	0	\$0.00
4.	D	427,073	416,657	\$1,602,685.80	42,750	41,707	\$185,481.66	128,250	125,122	\$411,400.08
5.	E	20,000	19,512	\$87,450.00	0	0	\$0.00	0	0	\$0.00
6.	F	0	0	\$0.00	34,250	33,415	\$149,219.20	154,125	150,366	\$493,449.84
7.	G	0	0	\$0.00	420,000	409,756	\$1,361,351.20	100,000	97,561	\$304,145.04
8.	H	283,901	276,879	\$1,163,560.00	9,395	9,166	\$34,435.00	0	0	\$0.00
9.	I	0	0	\$0.00	399,000	389,268	\$1,331,116.67	162,725	158,756	\$488,490.03
10.	J	0	0	\$0.00	41,650	40,634	\$130,555.00	0	0	\$0.00
11.	K	0	0	\$0.00	34,250	33,415	\$149,219.20	154,125	150,366	\$493,449.84
12.	L	600,000	585,366	\$2,280,956.00	0	0	\$0.00	180,000	175,610	\$579,795.84
13.	M	639,276	623,684	\$3,515,750.80	582,250	568,049	\$1,908,202.40	327,495	319,498	\$985,460.57
14.	N	639,276	623,684	\$2,727,590.00	31,268	30,523	\$100,038.50	0	0	\$0.00
		<u>3,474,706</u>	<u>3,389,958</u>	<u>\$13,802,772.60</u>	<u>2,225,433</u>	<u>2,171,154</u>	<u>\$8,110,328.83</u>	<u>1,897,312</u>	<u>1,792,500</u>	<u>\$5,780,601.24</u>
NO-NOTICE SERVICE ("NNS") STORAGE:										
1.	WITHDRAWALS	736,410	718,449	\$2,939,233.23	406,863	396,940	\$1,495,750.45	639,150	623,561	\$2,034,414.45
2.	INJECTIONS	(90,325)	(88,122)	(\$360,514.17)	(156,930)	(153,122)	(\$576,995.29)	(90,388)	(78,427)	(\$255,875.00)
3.	ADJUSTMENTS	0	610	\$0.00	(1,336)	10,413	(\$5,332.38)	(187)	4,406	(\$687.47)
4.	ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
5.	ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
6.	ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
	NET NNS STORAGE	<u>646,085</u>	<u>630,327</u>	<u>\$2,578,719.06</u>	<u>248,577</u>	<u>254,231</u>	<u>\$913,422.78</u>	<u>558,575</u>	<u>549,540</u>	<u>\$1,777,851.98</u>
NATURAL GAS TRANSPORTERS:										
1.	TEXAS GAS TRANSMISSION, LLC			\$245,249.79			\$142,693.11			\$135,424.49
2.	ADJUSTMENTS	0	54,762	\$0.12	0	63,304	(\$83.80)	0	40,907	(\$11.63)
3.	ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
	TOTAL	<u>4,120,791</u>	<u>4,075,657</u>	<u>\$245,249.91</u>	<u>2,474,010</u>	<u>2,488,689</u>	<u>\$142,609.31</u>	<u>2,395,887</u>	<u>2,382,947</u>	<u>\$135,412.86</u>
	TOTAL COMMODITY AND VOLUMETRIC CHARGES			<u>\$16,628,741.57</u>			<u>\$9,166,358.92</u>			<u>\$7,694,066.08</u>
DEMAND AND FIXED CHARGES:										
1.	TEXAS GAS TRANSMISSION, LLC			\$2,385,693.00			\$2,465,216.10			\$2,326,558.10
2.	ADJUSTMENTS			\$0.00			\$0.00			\$0.00
3.	SUPPLY RESERVATION CHARGES			\$160,491.35			\$517,572.17			\$528,226.31
4.	ADJUSTMENTS			\$0.00			\$0.00			\$0.00
5.	CAPACITY RELEASE CREDITS			\$0.00			\$0.00			\$0.00
6.	ADJUSTMENTS			\$0.00			\$0.00			\$0.00
	TOTAL DEMAND AND FIXED CHARGES			<u>\$2,546,184.35</u>			<u>\$2,982,788.27</u>			<u>\$3,454,783.91</u>
	TOTAL PURCHASED GAS COSTS - TEXAS GAS TRANSMISSION, LLC			<u>\$19,172,925.92</u>			<u>\$12,149,147.19</u>			<u>\$11,148,848.99</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM NOVEMBER 2014 THROUGH JANUARY 2015

DELIVERED BY TENNESSEE GAS PIPELINE COMPANY, LLC

COMMODITY AND VOLUMETRIC CHARGES:

	NOVEMBER 2014			DECEMBER 2014			JANUARY 2015		
	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$
NATURAL GAS SUPPLIERS:									
1. O	0	0	\$0.00	229,907	223,211	\$752,610.09	180,000	174,757	\$529,360.00
2. P	0	0	\$0.00	10,000	9,709	\$35,211.25	0	0	\$0.00
3. Q	0	0	\$0.00	20,000	19,418	\$70,776.25	280,000	271,845	\$811,287.50
4. R	0	0	\$0.00	580,000	543,689	\$1,784,400.00	500,000	485,437	\$1,443,400.00
5. S	598,879	581,436	\$2,191,451.64	60,000	58,252	\$255,225.00	180,000	174,757	\$562,725.00
6. T	0	0	\$0.00	300,000	291,262	\$923,678.75	0	0	\$0.00
	<u>598,879</u>	<u>581,436</u>	<u>\$2,191,451.64</u>	<u>1,179,907</u>	<u>1,145,541</u>	<u>\$3,822,001.34</u>	<u>1,140,000</u>	<u>1,106,796</u>	<u>\$3,346,762.50</u>
NATURAL GAS TRANSPORTERS:									
1. TENNESSEE GAS PIPELINE COMPANY, LLC			\$11,438.59			\$7,449.00			\$8,786.00
2. TENNESSEE GAS PIPELINE COMPANY, LLC			\$6,527.78			\$4,251.00			\$6,014.00
3. TENNESSEE GAS PIPELINE COMPANY, LLC			\$698.32			\$585.00			\$690.00
4. ADJUSTMENTS	(434)	(23,737)	(\$98.58)	(397)	(19,188)	(\$1,268.42)	(218)	(40,738)	(\$1,429.73)
5. ADJUSTMENTS	0	0	(\$7,082.51)	0	0	\$0.00	0	0	(\$2,971.77)
6. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
TOTAL	<u>598,445</u>	<u>557,699</u>	<u>\$11,683.60</u>	<u>1,179,510</u>	<u>1,126,353</u>	<u>\$11,016.58</u>	<u>1,139,782</u>	<u>1,066,058</u>	<u>\$10,088.50</u>
TOTAL COMMODITY AND VOLUMETRIC CHARGES			<u>\$2,203,135.24</u>			<u>\$3,833,017.92</u>			<u>\$3,356,851.00</u>
DEMAND AND FIXED CHARGES:									
1. TENNESSEE GAS PIPELINE COMPANY, LLC			\$152,890.00			\$152,890.00			\$152,890.00
2. ADJUSTMENTS			\$0.00			\$0.00			\$0.00
3. SUPPLY RESERVATION CHARGES			\$131,978.18			\$170,820.64			\$171,467.50
4. ADJUSTMENTS			\$0.00			\$0.00			\$0.00
5. CAPACITY RELEASE CREDITS			\$0.00			\$0.00			\$0.00
6. ADJUSTMENTS			\$0.00			\$0.00			\$0.00
TOTAL DEMAND AND FIXED CHARGES			<u>\$284,868.18</u>			<u>\$323,710.64</u>			<u>\$324,357.50</u>
TOTAL PURCHASED GAS COSTS – TENNESSEE GAS PIPELINE COMPANY, LLC			<u>\$2,488,003.42</u>			<u>\$4,156,728.56</u>			<u>\$3,681,208.50</u>
OTHER PURCHASES									
1. CASH-OUT OF CUSTOMER OVER-DELIVERIES		53,851	\$122,373.33		85,530	\$80,735.29		36,981	\$54,447.43
TOTAL		<u>53,851</u>	<u>\$122,373.33</u>		<u>85,530</u>	<u>\$80,735.29</u>		<u>36,981</u>	<u>\$54,447.43</u>
TOTAL PURCHASED GAS COSTS – ALL PIPELINES	<u>4,719,236</u>	<u>4,687,207</u>	<u>\$21,783,302.67</u>	<u>3,653,520</u>	<u>3,700,572</u>	<u>\$18,386,511.04</u>	<u>3,535,669</u>	<u>3,485,986</u>	<u>\$14,884,505.92</u>

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2015-00XXX

Calculation of Gas Cost Balance Adjustment (GCBA)

The purpose of this adjustment is to compensate for any over- or under-recoveries remaining from prior Gas Cost Actual Adjustments and Gas Cost Balance Adjustments. The under-recovery that must be collected under the Gas Cost Balance Adjustment (GCBA) during the period of May 1, 2015 through July 31, 2015, set forth on Page 1 of Exhibit C-1, is \$378,375. The GCBA factor required to collect this under-recovery is a charge of 1.255¢ per 100 cubic feet. LG&E will place this charge into effect with service rendered on and after May 1, 2015 and continue for three months.

In this filing, LG&E will also be eliminating the GCBA from Case 2014-00475, which, with service rendered through April 2015, will have been in effect for three months. Any over- or under-recovery of the amount originally established will be transferred to the GCBA which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after August 1, 2015.

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Quarterly Gas Cost Balance Adjustment
For Service Rendered On and After May 1, 2015

Line No.	Factor	Remaining Balance
1	Remaining (Over)/Under Recovery From GCAA ¹	\$321,667
2	Remaining (Over)/Under Recovery From GCBA ²	\$56,708
3	Remaining (Under)/Over Refund From RA ³	\$0
4	Remaining (Over)/Under Recovery From PBRRC ⁴	\$0
5	Total Remaining (Over)/Under Recovery	<u>\$378,375</u>
6	Expected Mcf Sales for 3 Month Period ⁵	3,015,568
7	GCBA Factor Per Mcf	\$0.1255
8	GCBA Factor Per Ccf	\$0.01255

¹ See Exhibit C-1, page 2.

² See Exhibit C-1, page 3.

³ See Exhibit D-1, page 2. LG&E is not receiving any pipeline refunds at this time.

⁴ See Exhibit E-1, page 2. Next PBRRC factor will be calculated in August 2015.

⁵ See Exhibit A, page 1.

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Revenue Collected or Refunded Under GCAA Factor
For Service Rendered On and After May 1, 2015

From Case No. 2013-00253

Line No.	Recovery Period	Comments	Total Mcf Sales for Month	Sales Applicable to GCAA Recovery	GCAA/Mcf Factor	Amount of Recovery/(Return) per Month	Balance Remaining	
	(1)	(2)	(3)	(4)	(5)	(6)=(4)*(5)	(7)=(Bal)-(6)	
1						Beginning Balance	(2,108,115)	
2	Feb-14	Prorated	7,414,287	3,648,807	(\$0.0688)	(\$251,038)	(\$1,857,077)	
3	Mar-14		5,630,919	5,630,919	(\$0.0688)	(\$387,407)	(\$1,469,670)	
4	Apr-14		2,981,428	2,981,428	(\$0.0688)	(\$205,122)	(\$1,264,548)	
5	May-14		1,395,749	1,395,749	(\$0.0688)	(\$96,028)	(\$1,168,520)	
6	Jun-14		962,564	962,564	(\$0.0688)	(\$66,224)	(\$1,102,296)	
7	Jul-14		828,656	828,656	(\$0.0688)	(\$57,011)	(\$1,045,285)	
8	Aug-14		779,547	779,547	(\$0.0688)	(\$53,633)	(\$991,652)	
9	Sep-14		782,498	782,498	(\$0.0688)	(\$53,836)	(\$937,816)	
10	Oct-14		1,071,671	1,071,671	(\$0.0688)	(\$73,731)	(\$864,085)	
11	Nov-14		2,590,843	2,590,843	(\$0.0688)	(\$178,250)	(\$685,835)	
12	Dec-14		5,040,088	5,040,088	(\$0.0688)	(\$346,758)	(\$339,077)	
13	Jan-15		6,463,268	6,463,268	(\$0.0688)	(\$444,673)	\$105,596	
14	Feb-15	Prorated	6,355,918	3,140,563	(\$0.0688)	(\$216,071)	\$321,667	
15			Total Amount Recovered/(Returned) During Period				(\$2,429,782)	
16			Remaining Balance to Transfer to Exhibit C-1, Page 1 of 3				\$321,667	

LOUISVILLE GAS AND ELECTRIC COMPANY
Revenue Collected Under the GCBA Factor
For Service Rendered On and After May 1, 2015

Case No. 2014-00348

Line No.	Recovery Period (1)	Comments (2)	Total Mcf Sales for Month (3)	Sales Applicable to GCBA (4)	GCBA/Mcf Factor (5)	Recovery/(Refund) per Month (6)=(4)*(5)	Balance Remaining (7)=(Bal)-(6)
1						Beginning Balance	(\$870,947)
2	Nov-2014	Prorated	2,590,843	1,240,590	(\$0.0584)	(\$72,450)	(\$798,497)
3	Dec-2014		5,040,088	5,040,088	(\$0.0584)	(\$294,341)	(\$504,155)
4	Jan-2015		6,463,268	6,463,268	(\$0.0584)	(\$377,455)	(\$126,701)
5	Feb-2015	Prorated	6,355,918	3,140,563	(\$0.0584)	(\$183,409)	\$56,708
6			Total Amount Refunded or Recovered			(\$927,655)	
7			Remaining Balance to Transfer to Exhibit C-1, Page 1 of 3			\$56,708	

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2015-00XXX

The Company has received no refunds this quarter and has completed refunding all previous obligations.

Therefore, the Refund Factor will be as follows:

None

LOUISVILLE GAS AND ELECTRIC**Gas Supply Clause: 2015-00XXX****Calculation of Performance Based Rate Recovery Component (PBRRC)**

The purpose of the PBRRC is to collect Louisville Gas and Electric Company's portion of the savings created under the gas supply cost PBR. In accordance with the Order of the Commission in Case No. 2009-00550, LG&E is making this filing. Therefore, as shown in the following table, the PBRRC amount which became effective with gas service rendered on and after February 1, 2015, and will remain in effect until January 31, 2016, is \$0.00452 and \$0.00214 per 100 cubic feet for sales and Rider TS-2 volumes, respectively:

	<u>Sales Volumes</u>	<u>Transportation Volumes</u>
Commodity-Related Portion	\$0.00238/Ccf	\$0.00000/Ccf
Demand-Related Portion	<u>\$0.00214/Ccf</u>	<u>\$0.00214/Ccf</u>
Total PBRRC	\$0.00452/Ccf	\$0.00214/Ccf

Please note that Louisville Gas and Electric Company's tariff sales volumes receive both the commodity-related and demand-related portion of the PBRRC. Transportation volumes under Rider TS-2 receive only the demand-related portion of the PBRRC.

LOUISVILLE GAS AND ELECTRIC

**Gas Supply Clause: 2015-00XXX
 Gas Cost True-Up Charge Applicable to Customers Served
 Under Rate FT and Rider TS-2**

The purpose of the Gas Cost True-Up is to collect or refund any under- or over-collected gas costs incurred by transportation customers in previous quarters. Pursuant to the Order dated December 20, 2012, in Case No. 2012-00222, the charge (or credit) applies only to those transportation customers that were previously Louisville Gas and Electric Company sales customers. These under- or over-collected amounts (in the form of the GCAA, GCBA, and PBRRC) that transferring customers would have paid as sales customers will be applied for eighteen months. Therefore, as shown in the following table, the charge (or credit) which will be effective for any customers transferring from an LG&E sales rate to one of its transportation rates effective November 1, 2013 and November 1, 2014 is respectively:

<u>With Service Elected Effective</u>	<u>GCAA</u>	<u>GCBA</u>	<u>PBRRC</u>	<u>Total</u>
November 1, 2013	\$0.0000/Mcf	\$0.1255/Mcf	\$0.0000/Mcf	\$0.1255/Mcf
November 1, 2014	\$0.0629/Mcf	\$0.1255/Mcf	\$0.0452/Mcf	\$0.2336/Mcf

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2015-00xxx
Gas Cost True-Up Charge Applicable to Customers
Served Under Rate FT and Rider TS-2
For Service Rendered On and After May 1, 2015

Line No.	With Service Elected Effective (1)	GCAA/Mcf (2)	GCBA/Mcf (3)	PBRRC/Mcf (4)	Total/Mcf (2)+(3)+(4)
1	November 1, 2013	\$0.0000	\$0.1255	\$0.0000	\$0.1255
2	November 1, 2014	\$0.0629	\$0.1255	\$0.0452	\$0.2336

LOUISVILLE GAS AND ELECTRIC COMPANY

**GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM
May 1, 2015 through July 31, 2015**

	RATE PER 100 CUBIC FEET				TOTAL
	BASIC SERVICE CHARGE (PER MONTH)	DISTRIBUTION COST COMPONENT	GAS SUPPLY COST COMPONENT (GSCC)	DSM COST RECOVERY COMPONENT	
RATE RGS - RESIDENTIAL					
BASIC SERVICE CHARGE	\$13.50				
ALL CCF		\$0.26419	\$0.41597	0.01941	\$0.69957
RATE CGS - COMMERCIAL (meter capacity < 5000 CF/HR)					
BASIC SERVICE CHARGE	\$35.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.20999	\$0.41597	0.00093	\$0.62689
OVER 1000 CCF/MONTH		\$0.15999	\$0.41597	0.00093	\$0.57689
NOVEMBER THRU MARCH					
ALL CCF		\$0.20999	\$0.41597	0.00093	\$0.62689
RATE CGS - COMMERCIAL (meter capacity >= 5000 CF/HR)					
BASIC SERVICE CHARGE	\$175.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.20999	\$0.41597	0.00093	\$0.62689
OVER 1000 CCF/MONTH		\$0.15999	\$0.41597	0.00093	\$0.57689
NOVEMBER THRU MARCH					
ALL CCF		\$0.20999	\$0.41597	0.00093	\$0.62689
RATE IGS - INDUSTRIAL (meter capacity < 5000 CF/HR)					
BASIC SERVICE CHARGE	\$35.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.21452	\$0.41597	0.00000	\$0.63049
OVER 1000 CCF/MONTH		\$0.16452	\$0.41597	0.00000	\$0.58049
NOVEMBER THRU MARCH					
ALL CCF		\$0.21452	\$0.41597	0.00000	\$0.63049
RATE IGS - INDUSTRIAL (meter capacity >= 5000 CF/HR)					
BASIC SERVICE CHARGE	\$175.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.21452	\$0.41597	0.00000	\$0.63049
OVER 1000 CCF/MONTH		\$0.16452	\$0.41597	0.00000	\$0.58049
NOVEMBER THRU MARCH					
ALL CCF		\$0.21452	\$0.41597	0.00000	\$0.63049
Rate AAGS	\$275.00	\$0.60860	\$0.41597	0.00093	\$1.02550
	BASIC SERVICE CHARGE (PER MONTH)	DISTRIBUTION COST COMPONENT	GAS SUPPLY COST COMPONENT (GSCC)	DEMAND CHARGE COMPONENT	TOTAL
RATE DGGS - COMMERCIAL & INDUSTRIAL (meter capacity < 5000 CF/HR)					
BASIC SERVICE CHARGE	\$35.00				
ALL CCF		\$0.03095	\$0.41597	\$ 1.14020	\$1.58712
RATE DGGS - COMMERCIAL & INDUSTRIAL (meter capacity >= 5000 CF/HR)					
BASIC SERVICE CHARGE	\$175.00				
ALL CCF		\$0.03095	\$0.41597	\$ 1.14020	\$1.58712

EFFECTIVE RATES FOR RATE TS-2 TRANSPORTATION SERVICE

GAS SERVICE RATES EFFECTIVE WITH SERVICE
 RENDERED FROM
 May 1, 2015 through July 31, 2015

	RATE PER MCF				
	ADMIN. CHARGE (PER MONTH)	LG&E DIST CHARGE	PIPELINE SUPPLIER'S DEMAND COMPONENT	DSM COST RECOVERY COMPONENT	<u>TOTAL</u>
RATE TS-2					
RATE CGS - COMMERCIAL	\$400.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$2.0999	\$0.7691	0.0093	\$2.8783
OVER 100 MCF/MONTH		\$1.5999	\$0.7691	0.0093	\$2.3783
NOVEMBER THRU MARCH					
ALL MCF		\$2.0999	\$0.7691	0.0093	\$2.8783
RATE IGS - INDUSTRIAL	\$400.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$2.1452	\$0.7691	0.0000	\$2.9143
OVER 100 MCF/MONTH		\$1.6452	\$0.7691	0.0000	\$2.4143
NOVEMBER THRU MARCH					
ALL MCF		\$2.1452	\$0.7691	0.0000	\$2.9143
Rate AAGS	\$400.00	\$0.6086	\$0.7691	0.0093	\$1.3870

L G & E

Charges for Gas Transportation Services Provided Under Rate FT

May 1, 2015 through July 31, 2015

Transportation Service:

Monthly Transportation Administrative Charge	\$400.00
Distribution Charge / Mcf Delivered	\$0.4300

Ancillary Services:

Daily Demand Charge	\$0.1577
Daily Storage Charge	\$0.1833
Utilization Charge per Mcf for Daily Balancing	\$0.3410

Cash-Out Provision for Monthly Imbalances	Percentage to be Multiplied by Cash-Out Price *
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Cash-Out Provision for Monthly Imbalances:

Where Usage is Greater than Transported Volume - Billing:

First 5% or less	100%
next 5%	110%
next 5%	120%
next 5%	130%
> than 20%	140%

Where Transported Volume is Greater than Usage - Purchase:

First 5% or less	100%
next 5%	90%
next 5%	80%
next 5%	70%
> than 20%	60%

* The Cash-Out Price for customer over-deliveries is the lowest mid-point price posted in "Gas Daily" for Dominion - South Point during the month; the Cash-Out Price for customer under-deliveries is the highest mid-point price posted in "Gas Daily" for Dominion - South Point during the month.

L G & E

Charges for Gas Transportation Services Provided Under Rate FT
(for Special Contract Customers)

May 1, 2015 through July 31, 2015

Transportation Service:

Monthly Transportation Administrative Charge	As Per Special Contract
Monthly Customer Charge	As Per Special Contract
Distribution Charge / Mcf Delivered	As Per Special Contract
Monthly Demand Charge/Mcf	As Per Special Contract

Ancillary Services:

Daily Demand Charge	\$0.1577
Daily Storage Charge	<u>\$0.1833</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3410

Cash-Out Provision for Monthly Imbalances	Percentage to be Multiplied by Cash-Out Price *
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Cash-Out Provision for Monthly Imbalances:

Where Usage is Greater than Transported Volume - Billing:

First 5% or less	100%
next 5%	110%
next 5%	120%
next 5%	130%
> than 20%	140%

Where Transported Volume is Greater than Usage - Purchase:

First 5% or less	100%
next 5%	90%
next 5%	80%
next 5%	70%
> than 20%	60%

* The Cash-Out Price for customer over-deliveries is the lowest mid-point price posted in "Gas Daily" for Dominion - South Point during the month; the Cash-Out Price for customer under-deliveries is the highest mid-point price posted in "Gas Daily" for Dominion - South Point during the month.
